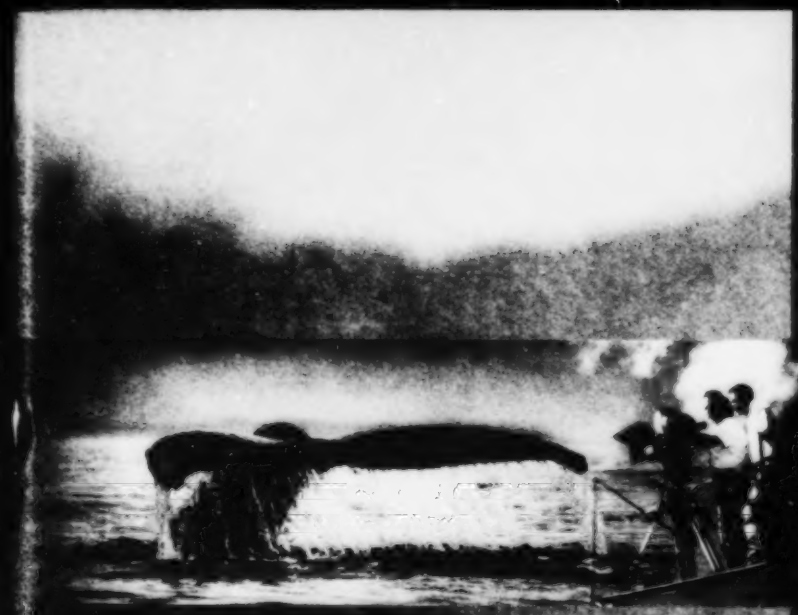

MINISTRY OF SMALL BUSINESS TOURISM AND CULTURE

Annual Report 1998/1999

BRITISH COLUMBIA

Annual Report 1998/99

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BRITISH COLUMBIA

FROM THE DEPUTY MINISTER

To the Honourable Ian G. Waddell
Minister of Small Business, Tourism & Culture

Minister:

I have the honour to submit the annual report of the Ministry of Small Business, Tourism and Culture for the fiscal year beginning April 1, 1998 and ending March 31, 1999.

C. Read

Catharine Read, Deputy Minister
Ministry of Small Business,
Tourism and Culture

BRITISH COLUMBIA

FROM THE MINISTER

To the Honourable Garde B. Gardom
Lieutenant Governor,
Province of British Columbia

May It Please Your Honour:

It is my pleasure to submit to you the annual report of the Ministry of Small Business, Tourism and Culture for the period April 1, 1998 to March 31, 1999.

Ian G. Waddell

Honourable Ian G. Waddell
Minister of Small Business, Tourism and Culture

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from the minister

BRITISH COLUMBIA

MESSAGE FROM THE MINISTER

British Columbians are preparing to meet the challenges of a new millennium with anticipation and confidence. The Ministry of Small Business, Tourism and Culture is working to ensure BC's society and economy continue to adapt to meet opportnities in our rapidly changing world.

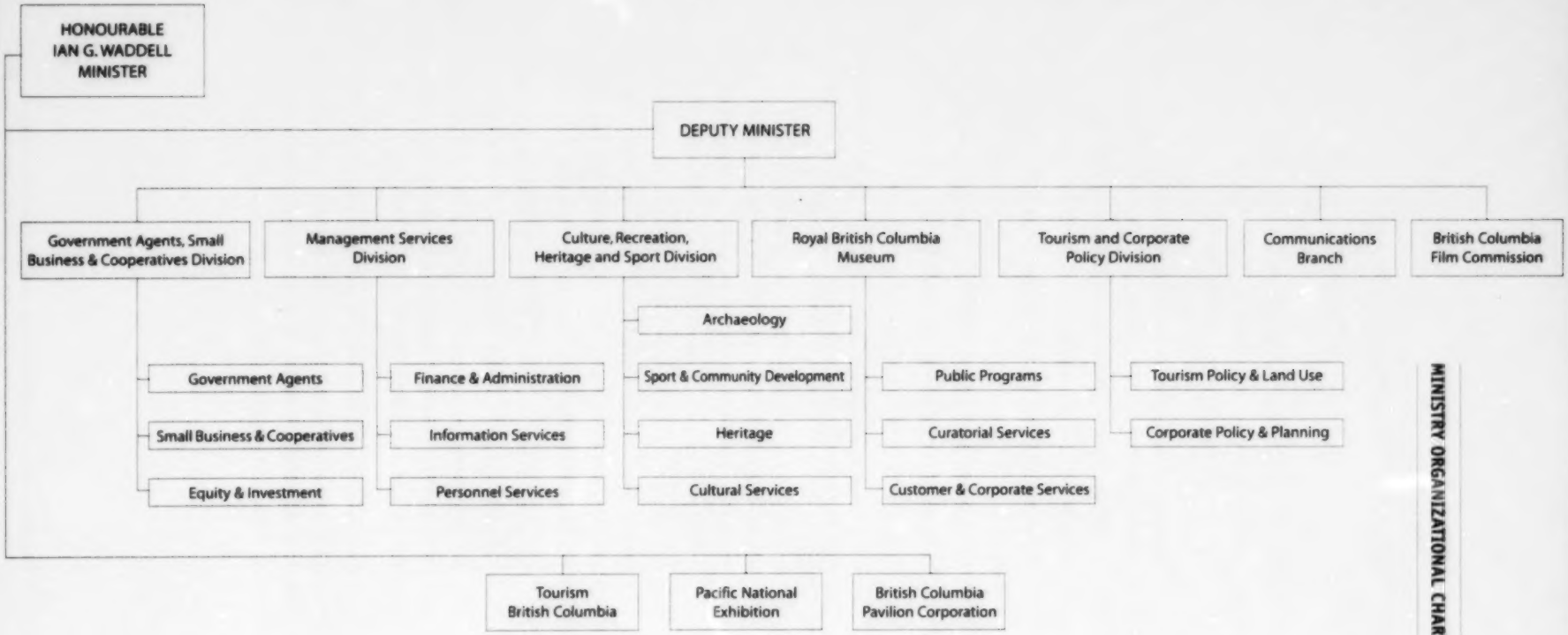
In 1998-99, the Ministry was responsible for initiating programs and advancements in business and entrepreneurship, supporting cultural institutions and the film and television production industry, voicing the splendour of our tourism sector and delivering community based initiatives in sport, recreation, education, the arts and government services.

I want to take this opportunity to thank the ministry staff for their tremendous work and ongoing dedication to achieving greater levels of success in these and other areas for the benefit of all British Columbians.

I hope you enjoy the content of this annual report.

Sincerely,

Ian G. Waddell, Minister



MINISTRY ORGANIZATIONAL CHART

organization

THE MINISTRY'S MAJOR ACCOMPLISHMENTS IN 1998/1999

highlights

Small Business:

- A Business Task Force was appointed to recommend ways of streamlining government regulations and procedures. Among its findings, the task force recommended more convenient business services. The ministry responded, and was operating **41 ONESTOP BUSINESS REGISTRATION CENTRES ACROSS THE PROVINCE** by the end of March 1999. These federal/provincial centres provide entrepreneurs with single-window electronic access to start a business.

- **THE *BUSINESS PAPER REDUCTION ACT* WAS INTRODUCED TO REDUCE PAPERWORK FOR BUSINESS** and streamline processes on an on-going basis. As of December 1998, the first regulation passed under the Act allows businesses to communicate with government by e-mail and enables municipalities to issue business licences for up to five years instead of just one year.

- **THE MINISTER APPOINTED A TASK FORCE TO EXAMINE THE EFFECTS OF PROPOSED BANK MERGERS** on small businesses, consumers and communities (including jobs and service levels) in British Columbia. Following the release of the task force's report and three commissioned research papers, the Minister met with federal Finance Minister Paul Martin and the Banking Senate Committee to deliver the message that British Columbians are opposed to the mergers. Martin later rejected the proposed bank mergers.

- During Small Business Week (October 25-31, 1998) the Minister released a *Profile of Small Business Growth and Employment in British Columbia*, showing that the number of **SMALL BUSINESSES IN BRITISH COLUMBIA GREW BY SEVEN PER CENT A YEAR**—leading all other provinces and territories between 1990 and 1997.

- The ministry's youth business training programs exceeded their 1998 targets. More than **4,300 YOUNG BRITISH COLUMBIANS TOOK PART IN ENTREPRENEURIAL TRAINING PROGRAMS**—YouBET!, Youth Mentorship and Visions for the Future, a new program for Aboriginal youth launched in 1998.

Tourism:

- **VANCOUVER/WHISTLER'S BID TO HOST THE 2010 OLYMPIC WINTER GAMES WAS CHOSEN** by the Canadian Olympic Association to proceed to the international selection process. The ministry led government involvement in the successful bid.
- The ministry provided an additional **$2.5 MILLION IN SUPPORT TO TOURISM BRITISH COLUMBIA** to increase its marketing activities in key markets in 1998.
- A 1998 B.C. Stats study showed that direct employment in British Columbia's $8.5 billion tourism industry grew by 39 per cent since 1987. The study showed that **ALMOST 113,000 PEOPLE ARE NOW DIRECTLY EMPLOYED IN THE TOURISM SECTOR**, not including self-employed tourism workers.

Culture, Heritage, Recreation and Sport:

- **FILM TAX CREDITS ANNOUNCED IN THE SPRING OF 1998** are making British Columbia more competitive in encouraging BC's $808 million film production industry, one of the province's fastest growing industries.
- **THE LEONARDO DA VINCI EXHIBIT AT THE ROYAL BRITISH COLUMBIA MUSEUM** broke attendance records, helping Victoria reach the $1-billion mark in tourism revenues for the first time ever.
- The British Columbia Arts Council, through 30 programs in four broad categories, provided **FINANCIAL SUPPORT TO INDIVIDUAL ARTISTS AND CULTURAL INDUSTRIES TOTALLING $11.9 MILLION**. The assistance directly benefited professional arts development, community arts development and touring programs.
- A total of **$750,000 WAS AWARDED THROUGH THE BRITISH COLUMBIA HERITAGE TRUST** to 88 projects supporting British Columbia Heritage preservation, community development and enhancement.
- To protect children and youth and encourage participation in sports and recreation, the ministry **LAUNCHED THE SPORTS SAFE PROGRAM**, Canada's most comprehensive program to address harassment and abuse in sports.

overview

The Ministry of Small Business, Tourism and Culture works to support small businesses, tourism, culture, recreation, heritage, sport, film and the Royal British Columbia Museum, and to strengthen and diversify communities throughout our province.

The programs and initiatives within the ministry are key to British Columbia's economic development. The ministry's activities result in direct economic benefit for the province through job growth, skills development, new investment and support for small business.

The ministry has five strategic objectives:

1) *Protecting and Creating Jobs* by supporting small business development, youth entrepreneurs and economic growth in the tourism, culture and film sectors.
2) *Strengthening Communities* by investing in heritage, arts, culture, sport and recreation projects to support the health, safety and education of children, youth and families.
3) *Protecting BC's Unique Environment* with programs that ensure sound tourism policy and resource use, preserve archaeological and heritage resources and promote education and research programs.

4) *Ensuring Access to Government Programs and Services for All British Columbians* through local Government Agents offices and the use of new technology and information services.
5) *Providing Cost-Effective Program Delivery* to support government's fiscal goals.

ORGANIZATION OF THE MINISTRY

In 1998/99, the ministry met its objectives through the work of seven internal divisions and branches:

- Government Agents, Small Business and Co-operatives
- Tourism and Corporate Policy
- Culture, Recreation, Heritage and Sport
- BC Film Commission
- Royal British Columbia Museum
- Management Services
- Communications

The ministry also supported the Minister's responsibilities for the following Crown corporations:

- British Columbia Pavilion Corporation
- Pacific National Exhibition
- Tourism British Columbia

GOVERNMENT AGENTS, SMALL BUSINESS AND CO-OPERATIVES DIVISION

The Government Agents, Small Business and Co-operatives Division delivers a wide range of services both to the public and small businesses in communities throughout British Columbia.

The division has two broad functions:

- to provide services, programs and information that support job creation through small business and co-operative development, including championing small business issues and concerns within government;
- to provide British Columbians with equal, one-stop access to hundreds of integrated government services through 58 Government Agents offices on behalf of other provincial ministries, agencies and organizations.

The division's programs are delivered by three branches: 1) Small Business and Co-operatives; 2)Business Equity; and 3) Government Agents.

small business

STRATEGIC OBJECTIVES FOR 1998/99

In 1998/99, the division was guided by the following strategic objectives:

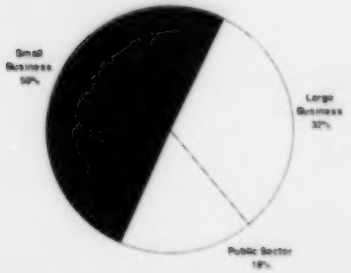
1) To foster an entrepreneurial climate that supports small business development and growth by
   - reducing government red tape; and
   - streamlining access to small business information and services.

2) To increase small business entrepreneurship and employment, particularly among youth, through the delivery of targeted programs.
3) To increase, through the delivery of investment programs, private sector equity investments in small- and medium-sized businesses that diversify the economy and create jobs.
4) To enhance the development of British Columbia's co-operative sector to create and retain jobs, and to increase investment in communities through the promotion of co-operatives as a business option.
5) To expand public access to government services and increase government efficiency and cost-effectiveness through one-stop, integrated delivery of government services, programs and information.

1. SMALL BUSINESS AND CO-OPERATIVES BRANCH

Small business is the primary source of job creation in British Columbia, reflecting an important, ongoing trend to economic diversification within the provincial economy. In 1998, there were approximately 363,000 small businesses in British Columbia, employing an estimated 949,000 people.

Half of all jobs in British Columbia were in small business in 1998



SOURCE: STATISTICS CANADA
PREPARED BY BC STATS

During Small Business Week, the Minister released a *Profile of Small Business Growth and Employment in British Columbia*, showing that the number of small businesses in British Columbia grew by seven per cent a year—leading all other provinces and territories between 1990 and 1997.

The Small Business Branch develops and delivers programs and provides policy

support for the small business and co-operative sectors to ensure that existing and prospective small businesses have access to the information, resources and services they need for start-up, management and expansion.

1998/99 ACCOMPLISHMENTS

Reduced The Regulatory And Paper Burden

- Opened 13 new OneStop workstations in sites throughout the province, for a total of 41 locations.
- Introduced the *Business Paper Reduction Act* and the first regulation under the *Act*, with 19 changes to 11 statutes. The *Act* was introduced to reduce paperwork for business and streamline processes on an ongoing basis. As of December 1998, the first regulation passed under the *Act* allows businesses to communicate with government by e-mail and enables municipalities to issue business licences for up to five years instead of just one year.

Improved Business Information and Services

- Opened 24 new satellite Canada/British Columbia Business Service Centres around the province in partnership with the Government Agents Branch, Chambers of Commerce and Community Futures.
- With the Information Science and Technology Agency, produced a Year 2000 information guide for small business owners.
- Distributed business publications to 225 business information providers throughout the province.
- Established a partnership with the Hong Kong Bank to produce a Chinese-language business resource guide.

- Published Chinese and Punjabi versions of *Solutions for Small Business* series.
- Updated and maintained ministry web pages.

Maintained High Service Usage And Satisfaction Levels

- Handled over 1.9 million client contacts through the Canada/British Columbia Business Service Centre.
- Collected over $600,000 in revenues for the Ministry of Finance Corporate Registrar through the Canada/British Columbia Business Service Centre.
- The Canada/British Columbia Business Service Centre received an overall satisfaction rate of 4.4 (from a scale of 1 to 5, with 5 being "very satisfied") from a 1998 evaluation of Western Canada business service centres.

Increased Youth Entrepreneurship

- Launched Visions for the Future, a new program for aboriginal youth, which offers a series of one-day career development conferences held in communities throughout BC. Speakers from First Nations and aboriginal organizations, industry, advanced education and government shared information and expertise on how to find employment, enhance education, or start a small business. The program's partners include First Nations and Friendship Centres, the Aboriginal Capital Corporation, aboriginal economic development organizations, private industry, community agencies and the provincial and federal governments.

youth

- Held Visions for the Future conferences in 11 communities throughout the province and exceeded participation targets, with over 2,500 aboriginal youth taking advantage of the program.
- Formed additional partnerships with other organizations as a result of the program's popularity and success.
- YouBET!, the Youth Business and Entrepreneurship Training program, continued to introduce youth in 40 BC communities to entrepreneurship as a career option. The program has three stages:

Stage 1 consists of a one-day "introduction to business" workshop designed to introduce youth to the principles of business.

Stage 2 consists of three days of training in which youth learn to identify viable business ideas.

Stage 3 offers 12 days of training in business plan development and optional participation in the Youth Mentorship Component.

- The YouBET! program exceeded its target, with more than 1,800 youth in communities across the province participating.
- Over 300 youth took advantage of the Youth Mentorship Component, where they were matched with local business professionals for additional advice and guidance.

Developed Co-operatives

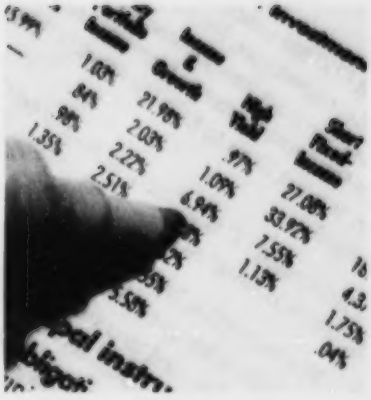
- Funded 12 organizations through the Business Co-operative Venture Program to support incorporation and training expenses.
- The Business Co-operative Venture Program assisted with the incorporation of 17 new co-operative organizations.
- Developed a variety of seminar and co-operative sector tools through co-op funding. These included a co-operative model for raising community-based capital, and a seminar on co-ops, held at the University of Victoria.

ADDITIONAL ACTIVITIES AND ACHIEVEMENTS:

In 1998/99, the Small Business and Co-operatives Branch also

- Provided financial support for the creation of the Business Law Clinic with the University of Victoria;
- Worked with all levels of government to build awareness of small business issues and policies;
- Participated in the activities of the Business Task Force;
- Partnered with the private sector for funding the BC Creative Arts Show;
- Participated in three economic summits throughout the province;
- Co-ordinated the response of the small business sector to the Bank Mergers Task Force, which examined the proposed bank mergers; and
- Produced and distributed an exporter profile for small- and medium-sized businesses.

2. BUSINESS EQUITY BRANCH



The Business Equity Branch promotes equity or risk capital investment in small- and medium-sized businesses by delivering incentive programs for equity investment, and education and training initiatives. The branch offers three tax credit programs: 1) Equity Capital Program; 2) Equity Share Ownership Program; and 3) Working Opportunity Fund.

1998/99 ACCOMPLISHMENTS

Equity Capital Program

The Equity Capital Program encourages British Columbia residents to invest in BC small businesses that diversify the province's economy. Legislated under the *Small Business Venture Capital Act*, the program provides a 30 per cent tax credit to investors who invest in their own registered venture capital corporations (VCCs). Registered VCCs may make equity investments in one or more eligible small businesses.

- In 1998/99, venture capital corporations provided $17 million in investments for 41 small businesses in British Columbia.
- Venture capital corporations raised an estimated $19 million from 1,000 investors, representing $5.7 million in tax credits.
- As part of the government's commitment to protect health care and education, the tax credit allocation was reduced. However, the program continued to successfully encourage significant

investment

venture capital investments during challenging economic conditions.

- To March 31, 1999, venture capital corporations have raised over $320 million and invested over $270 million in 300 small BC businesses.

Equity Share Ownership Program

This program encourages employees to make equity investments in the companies that employ them. Legislated under the *Employee Investment Act*, the program provides employee investors with a tax credit incentive of up to 20 per cent, to an annual maximum of $2,000 and a lifetime maximum of $10,000.

- The program raised 1.3 million for investment in small businesses and issued $210,000 in tax credits.
- As part of the government's commitment to protect health care and education, the tax credit allocation for this program was reduced; this, combined with a provincial economic slow down, resulted in lower levels of employee investment in the program. However, forecasts indicate a marked increase in investment activity for the 1999/00 year, in part due to the business cycles of several key program participants.
- To March 31, 1999, 68 registered Employee Share Ownership Plans have raised $24 million from an employee base of nearly 25,000.
- Approximately 700 small business owners have attended *Introduction to ESOP* workshops and over 500 professional advisors have been accredited through technical training seminars.

Working Opportunity Fund

The Working Opportunity Fund is a private, labour-sponsored fund registered under the *Employee Investment Act*. The Fund pools its capital and invests in a diversified portfolio of equity shares in small- and medium-sized BC businesses. Investors in the fund receive a combined provincial and federal tax credit of 30 per cent. The provincial tax credit of 15 per cent is limited to an annual maximum of $2,000 and a lifetime maximum of $10,000. The 15 per cent federal tax credit is limited to an annual maximum of $525.

- In 1998/99, the Working Opportunity Fund raised $43 million from 10,400 investors and issued $6.45 million in tax credits.
- The Fund invested $30 million in 30 small- and medium-sized businesses in British Columbia.
- To March 31, 1999, the Fund has raised over $200 million from approximately 30,000 resident BC investors and currently has $100 million invested in 51 companies within its portfolio.

3. GOVERNMENT AGENTS BRANCH

The Government Agents Branch provides convenient, integrated delivery of government programs, services and information to communities throughout the province. Since 1858, Government Agents have provided provincial government services in BC, and these offices continue to serve as a primary link between government and the public, especially in the province's rural and remote communities.

The province currently has 58 Government Agents (GA) offices, whose staff serve as the local face of government for British Columbians. Each GA office offers a one-stop centre of integrated government service, enabling the

government agents

public to access multiple services in 50 program areas for more than 30 provincial government ministries and agencies, including other levels of government.

GA services range from routine transactions to more complex problem solving and services, such as:

Revenue Collection Services: collecting provincial revenue from fees, licences and taxes (e.g., Medical Services Plan payments, motor vehicle fines, fishing and hunting licences).

Customer (Non-Revenue) Services: assisting British Columbians through the various forms and procedures of government (e.g., program referrals, information dissemination, problem solving).

Client and Administrative Services: providing a number of administrative services for ministries (e.g., issuing cheques, property tax collections and processing mail) and holding and managing a number of statutory appointments (e.g., Gold Commissioner, District Registrar of Voters, Provincial Collector).

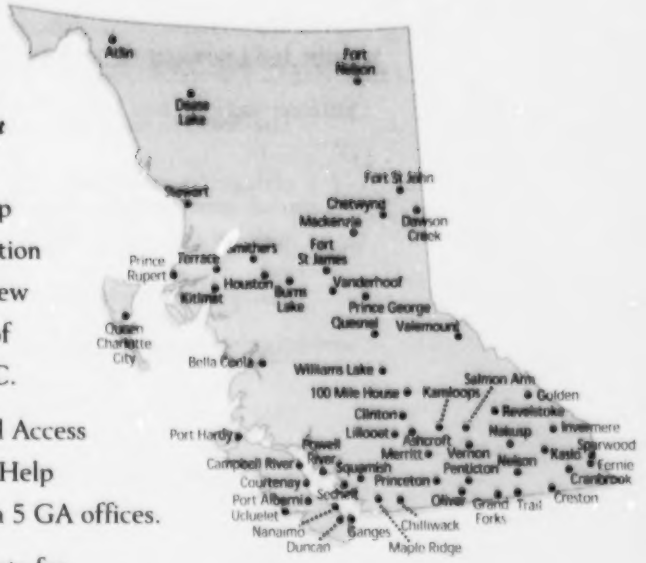
1998/99 ACCOMPLISHMENTS

Provided Responsive, High-Quality Services

- Processed more than 2.6 million revenue transactions at one-stop access centres.
- Handled an estimated 1.2 million customer inquiries for client ministries and agencies.
- Collected $1.19 billion in provincial government revenue.
- Continued to achieve a high level of customer satisfaction, with an over-all satisfaction rating of 94% shown in a 1998/99 office-wide survey.

Expanded The Scope Of Integrated Services Offered By Government Agents Offices

- Installed OneStop Business Registration terminals in 12 new sites, for a total of 21 sites across BC.
- Installed Regional Access and Community Help (REACH) sites in 5 GA offices.
- Accepted payments for BC Parks *Discover Camping* reservations in all 58 GA offices.



G.A. LOCATIONS IN BC

Improved Service Delivery:

- Re-negotiated a partnership agreement with the Residential Tenancy Office to deliver customer services in 58 GA offices province wide.

Implemented Cost-Reduction And Revenue Generation Measures

- Accepted and processed BC Hydro payments in 57 of 58 GA offices on a cost-recovery basis.
- Increased office productivity and reduced building occupancy costs through office reconfigurations and relocation of GA offices.
- Identified co-location and shared services opportunities across the provincial government.

The Tourism and Corporate Policy Division provides leadership, co-ordination and assistance to the ministry in areas of tourism policy and land use planning, corporate policy and legislation, and strategic and business planning. These functions are accomplished by the division's two branches: 1) Tourism Policy and Land Use, and 2) Corporate Policy and Planning.

A 1998 B.C. Stats study showed that direct employment in British Columbia's $8.5 billion tourism industry grew by 39 per cent since 1987. The study showed that almost 113,000 people are now directly employed in the tourism sector, not including self-employed tourism workers.

tourism

Tourism British Columbia, a new crown corporation, was created in June 1997 after extensive consultation with industry. While the new agency works with its industry board to develop and implement tourism marketing programs, the ministry continues to represent tourism interests in land use and other policy matters. As a crown corporation, Tourism British Columbia provides its own annual report.

STRATEGIC OBJECTIVES FOR 1998/99

In 1998/99, the division was guided by the following strategic objectives:

1) To ensure the representation of tourism interests in government policy, land use and decision making forums;

2) To provide co-ordination, information, liaison and representation of the ministry's interests to other agencies and jurisdictions; and

3) To improve the quality of corporate submissions and corporate decision-making.

1. TOURISM POLICY AND LAND USE BRANCH

Tourism Policy and Land Use Branch represents tourism interests in government policy and decision making and decision making forums to ensure the continued growth and development of the tourism sector. The branch also maintains regional tourism resource inventories and provides them to appropriate planning tables. It develops methodology for improving tourism inventories particularly for smaller scale mapping projects.

1998/99 ACCOMPLISHMENTS

Participated In Projects And Policies Significant To Tourism

- Led the provincial government to win the right for BC to represent Canada in the 2010 Winter Olympic Games bid.
- The ministry provided $2.5 million of additional support to Tourism British Columbia to increase its marketing activities in key markets in 1998.
- Reviewed the Environmental Assessment Regulations pertaining to major tourism development projects.
- Established a manager-level Commercial Recreation working group to resolve issues.

- Provided tourism data to treaty negotiations.
- Helped revise and implement the Commercial Recreation policy, and established an inter-agency working group to implement the revised Commercial Recreation Policy.
- Resolved specific tenure issues related to the tourism industry.
- Co-ordinated and presented tourism positions on and involvement in aboriginal policy initiatives.
- The ministry assisted Tourism British Columbia with the promotion of the Sumo Basho, including a traditional "ring-entering" ceremony on the steps of the Legislature.

Completed and Maintained Tourism Resource Inventory

- Completed inventory for Central Coast Land and Coastal Resource Management Plan.
- Completed Tourism Opportunity Studies for Kalum and Prince George, and reviewed technical standards.

Strategic And Effective Land Use Planning

- Participated in Okanagan, Lillooet, and Central Coast Land Resource Management plans.
- Provided data analysis for Commercial Recreation for Kootenays, Vancouver Island and the Lower Mainland.
- Provided data and support for five Cariboo-Chilcotin sub-regional plans.

Additional Activities and Accomplishments

- Maintained a successful working relationship with the Council of Tourism Associations on a variety of tourism issues presented to the government.

2. CORPORATE POLICY AND PLANNING BRANCH

The Corporate Policy and Planning Branch manages the ministry's legislation process and assists divisions in the development of legislation. The branch also manages the legislative session support. The branch ensures that government strategies and policies recognize ministry interests and manages the ministry's integrated planning process.

1998/99 ACCOMPLISHMENTS

- Completed the ministry's strategic and business plans.
- Assisted divisions with policy development.
- Prepared, managed and co-ordinated materials for the 1998 Legislative Session.
- Co-ordinated the ministry's legislation process and assisted its divisions in the development of legislation.

The Culture, Recreation, Heritage and Sport Division manages government programs that support arts and culture, heritage, archaeology, recreation and sport, as well as a wide range of capital projects under the *BC21* Community Grants Program. The division provides government with expertise and operational support for the BC Heritage Trust, the BC Arts Council and the Minister's Advisory Committee for Sport and Recreation.

The division also has legislative responsibilities flowing from the *Heritage Conservation Act*, the *Arts Council Act*, the *Cultural Foundation Act*, and the *Recreation Facilities Act*. The division acknowledges the support of the volunteer sector in bringing programs to communities and people across British Columbia. The four branches of the division are 1) Cultural Services; 2) Sport and Community Development; 3) Heritage; and 4) Archaeology.

culture

STRATEGIC OBJECTIVES FOR 1998/99

In 1998/99, the division was guided by the following strategic objectives:

1) Administering programs to support the arts and cultural industries.

2) Co-ordinating policy to promote the film industry.

3) Working with communities to achieve effective management of BC heritage sites.

4) Supporting the stewardship of BC's archaeological resources.

5) Promoting access to and participation in sports and recreation.

6) Building partnerships between community organizations, the corporate sector and government to enhance the viability of the division's funded clients.

1. CULTURAL SERVICES BRANCH

The Cultural Services Branch supports the development of the arts and culture in British Columbia by managing and administering the programs of the British Columbia Arts Council and the Cultural Foundation of British Columbia. In addition to administering financial assistance programs, the branch also acts as an advisory to arts and cultural organizations and develops strategic policy initiatives for cultural industries.

Through the BC Arts Council and Cultural Foundation of BC, the branch provides financial assistance to professional arts and cultural organizations and agencies, community and regional arts councils, book publishers, arts festivals, individual artists and, through scholarships, to arts students.

British Columbia Arts Council

The Cultural Services Branch provides administrative and funding support to the BC Arts Council. The Council is an independent agency established in 1996 by the province to administer funding programs, and support and advocate for the arts and cultural sectors. The Council members are representative of the regional, cultural and artistic diversity of the province.

1998/99 ACCOMPLISHMENTS

- Provided administrative support to the BC Arts Council and its 35 programs.
- The BC Arts Council, through its programs, contributed financial support of $11.9 million in awards and contributions to 280 individuals and 500 arts and cultural organizations.
- The branch provided $3.6 million in industry awards and contributions to support BC cultural achievements.
- Implemented the Film Incentive BC and the Production Services Tax Credit programs to encourage a competitive film industry in BC.
- At the end of the third quarter in 1998/99, the Film Incentive BC program had triggered production expenditures of $116 million. However, actual credits flowing to the industry are dependent upon the completion of the projects and filing of corporate tax returns.
- Provided administrative support to the Cultural Foundation of British Columbia.
- Implemented recommendations for changes to program support for BC's dance and community arts sectors, including determining a needs assessment process for community arts development.
- Provided efficiency reviews of application forms and procedures for the BC Arts Council's operating assistance programs.
- Collaborated with other ministry partners to monitor the *Communities Connect* program.
- Collaborated with the private sector partners to deliver program support for artists-in-education,

organizational development, arts touring and aboriginal arts development.

- Continued to develop and implement a strategy to support the cultural community.

2. SPORT AND COMMUNITY DEVELOPMENT BRANCH

The Sport and Community Development Branch promotes increased access to recreation and sport opportunities for British Columbians. Branch programs and services work to build stronger communities and promote healthy life-styles—from the amateur participant to the high-performance athlete—through recreation and sport. The branch provides funding to athletes striving to represent BC and Canada through the BC Athlete Assistance Program and also supports the provincial team, Team BC.

1998/99 ACCOMPLISHMENTS

- The Infrastructure Works Program II provided $9 million in funding to assist 27 projects in 19 communities for a wide range of community projects throughout BC, including improved sports training and performance facilities.
- The Infrastructure Works Program will create 189 permanent jobs and 15,000 person weeks of temporary employment (during construction phases) when completed.
- The Inter-Provincial Travel program assisted youth traveling to compete in sporting or cultural events outside their home. An estimated 2,400 applications were approved by the branch and

sport

will be funded, benefiting 69,000 youth in sport, music, art, culture and heritage.

- The Block Contribution Program provided $4.1 million to 63 provincial sport organizations. The funds supported direct membership services to 750,000 registered members and over 250,000 single event participants at recreation and sport organizations.
- The Athlete Assistance Program provided financial support to approximately 1,200 high-performance athletes across the province, approximately half of whom were women.
- To protect children and youth and encourage participation in sports and recreation, the branch successfully implemented the SportsSafe Program—Canada's most comprehensive program to address harassment and abuse in sports and recreation. Implementation involved the distribution of informational brochures, posters, Coaches Game Plans, Volunteer Screening Model information and Promotion Sheets for use in newsletters.
- One female and one male harassment advisor was appointed for each sport.
- As part of the Sports Safe Program, the branch developed a *Risk Management Handbook* for sport and recreation organizations.

3. HERITAGE BRANCH

The Heritage Branch provides leadership in the protection, conservation and presentation of British Columbia's built heritage, including buildings, industrial structures and significant elements of the province's maritime, agricultural and transportation history.

Through three regional offices, the Heritage Branch manages a network of 28 provincial heritage properties that preserve significant elements of BC heritage and it presents these to residents and tourists. Branch staff provide advice and assistance to local governments, non-profit societies, First Nations bands, businesses, individuals and other agencies involved with heritage issues.

The branch administers the *Heritage Conservation Act* and the *Heritage Conservation Statutes Amendment Act*, and supports the British Columbia Heritage Trust, a provincial crown corporation with a board of directors reporting to the Minister. Established in 1978, the Heritage Trust supports public appreciation of heritage and the pursuit of knowledge, preservation and enhancement of BC's heritage. The branch administers Trust funding and advisory programs.

heritage

1998/99 ACCOMPLISHMENTS

- Continued to provide policy, financial, program development and management services to the Heritage Trust, and staff support to Trust Board members and committees.
- Provided monitoring and grant administration for 88 Heritage Trust and other projects totaling $750,000 in funding.
- Generated an estimated $609,000 in heritage site revenues, an increase of more than 14 per cent over 1997/98.
- Hosted 251,000 paid visitors to provincial heritage sites.

- Provided advice and information to clients on legislation and conservation practices to enable effective community heritage management.
- Exercised regulatory authority under the *Heritage Conservation Act* as required regarding the protection and alteration of designated heritage sites.
- Managed the network of provincial heritage sites, including Barkerville, Fort Steele, Historic Hat Creek Ranch and Point Ellice House.
- Initiated the Public Programs policy to provide guidance to the development of heritage site interpretation, visitor services and special events.
- Implemented a Heritage Branch and Heritage Trust web site and developed other heritage promotion products.

4. ARCHAEOLOGY BRANCH

The Archaeology Branch provides programs designed to encourage and facilitate the protection, conservation and public appreciation of British Columbia's archaeological resources as mandated by the *Heritage Conservation Act*. Branch services are delivered through three program areas:

1) Planning and Assessment

This program area administers a permits system under the *Act* and assesses inter-agency development proposals for their potential impact on archaeological sites.

2) Negotiation Support

This program area provides support to treaty and non-treaty negotiations in areas related to heritage management.

3) Inventory and Mapping

This program area maintains a publicly accessible series of registers for the recording of archaeological sites, heritage sites and objects, heritage shipwrecks and other types of sites.

1998/99 ACCOMPLISHMENTS

Planning and Assessment

- Administered the archaeological permit system to regulate activities on protected archaeological sites, and processed and issued over 350 archeological permits.
- Provided archaeological resource management direction on projects regulated by the *Environmental Assessment Act* and on small-scale developments referred from other governmental agencies.
- Delivered a presentation to the Association of Regional District Planners on the responsibilities of developers to protect and manage BC's archaeological resources; also held discussions with planners in nine local government offices.
- Supplied archaeological site information to 21 municipalities and distributed brochures on managing archaeological resources to 177 local governments.
- Reviewed 2,631 development projects for their impact on archaeological sites.
- Delivered 20 educational seminars to train communities in recognizing and managing archaeological resources. Sessions were presented at local schools, national and international conferences, workshops with the Ministry of Forests and the forest industry, and First Nations groups.

Negotiation Support

- Provided heritage resource management input to Treaty negotiations tables.

Inventory and Mapping

- Developed the Provincial Heritage Register of archaeological sites by adding 1,545 new sites, including 472 updates on existing sites.
- Responded to 885 requests for information on heritage sites.
- Developed curriculum for three courses to train field workers for archaeological site inventories, and to train field workers and crew leaders for culturally modified tree inventories.

BC FILM COMMISSION

Film and television production has grown dramatically in British Columbia over the last decade and become one of the province's most important industries. The $808 million industry is the largest in Canada, employs approximately 25,000 people, and provides widespread economic benefits. The ministry has worked to attract film production and has introduced programs to ensure our province remains a key player in this dynamic industry.

The BC Film Commission markets the services of BC production, post-production and ancillary service

companies to the international film and television industry. In 1998, more than 90 per cent of feature films, television series and movies, pilots and commercials shot in the province received location scouting, production and/or library support from the BC Film Commission. By capitalizing on the existence of BC's varied geography and well-trained crews, as well as economic incentives created by a favorable US exchange, the Commission has been very successful in attracting film and television businesses to the province in record numbers over the past years.

The Commission has four main areas of operation:

1) International Marketing promotes BC as a production centre through advertising, promotional events, and attendance at trade shows and conventions.

2) Production/Location Services provides script breakdowns for producers with potential projects, assembles locations packages from the photo library, and provides ongoing production and location assistance during the course of shooting.

3) Information Sources provides industry information and statistical data to the public, media, industry, labour and government through a wide variety of film-related publications.

4) Community Relations monitors and manages the impact of the motion industry on communities.

STRATEGIC OBJECTIVES FOR 1998/99

In 1998/99, the BC Film Commission was guided by the following strategic objective:

- to enhance BC's status within the global communications industry as a preferred location for film and television production.

1998/99 ACCOMPLISHMENTS

- The BC film and television industry experienced tremendous growth and enjoyed its most successful year to date.
- The number of films produced increased by 1.1 per cent, while the total budget value of productions being shot in BC increased significantly by 28 per cent.
- Implemented Film Incentive BC, a production tax credit program which helped to create 3,700 new jobs in the film and television industry, with 310 of these being in the domestic film industry.
- Implemented the BC Production Services Tax Credit in order to remain competitive in the film and television industry.

International Events

- Locations 98, Association of Film Commissioners International Annual Trade Show, Los Angeles
- Banff International TV Festival, Banff
- ShowBiz Expo West, Los Angeles
- NATPE TV Market, National Association of TV Program Executives, New Orleans
- Golden Marble Awards, Broadcast and Print Commercial Awards, New York

BC Community and Industry Marketing Events

- Sunday in the Park, Industry Sponsorship of a West End Community Event
- Vancouver Film Festival
- Vancouver Film & TV Trade Forum
- Sea to Sky Film Forum

- Regional Film Commissions of BC Annual Meeting, Kamloops
- Gemini Awards
- Vancouver Island Film Festival and Trade Forum
- Gulf Island Film School Awards
- UBC Film and Theatre Awards
- Friends of BC Reception, Los Angeles

ROYAL BRITISH COLUMBIA MUSEUM

The Royal British Columbia Museum (RBCM) houses a collection of more than 10 million objects valued at $600 million and is the only institution in BC that contains detailed information on all of the province's natural and human history. Its mission is to explore and preserve British Columbia's cultural and natural heritage, to inspire curiosity and wonder, and to share our story with the world.

The Museum has been a Special Operating Agency since 1996, and this status has resulted in increased independence. The RBCM publishes its own detailed annual and five-year plans, which are available upon request. The museum operates under three branches: 1) Curatorial Services Branch; 2) Public Programs Branch and 3) Customer and Corporate Services Branch.

museum

The museum is served by the Friends of the Royal British Columbia Museum, a non-profit society whose mandate is to promote the museum's interests.

STRATEGIC OBJECTIVES FOR 1998/99

In 1998/99, the Royal British Columbia Museum's strategic objectives were

1) To be relevant and responsive to the public;
2) To become more self-sufficient through the diversification of funding sources;
3) To deliver timely and innovative educational programs; and
4) To become more informational by improving access to the Museum's collections and information about the collections.

1998/99 ACCOMPLISHMENTS

Leonardo da Vinci: Scientist, Inventor, Artist, Exhibit

The Royal British Columbia Museum's Leonardo da Vinci exhibit proved to be a phenomenal success in both economic and cultural terms, confirming the RBCM's ability to host world-class exhibitions and promoting its reputation as an educational and cultural institution.

- Total paid attendance at the museum during the exhibit was 416,000—more than quadruple normal attendance for the period and double the museum's business plan's projected attendance.
- Of 342,000 out-of-town visitors to the exhibit, 200,000 indicated that the exhibit was their main reason for visiting southern Vancouver Island. Out-of-province visitors totalled 193,170 and out-of-town visitor spending reached the $1 billion level for the first time ever in the region.

The revenue supported approximately 1,300 jobs in southern Vancouver Island's travel and hospitality industries.

- Due to the success of the exhibit, the museum generated revenue of $5.12 million. The amount of earned revenue as a percentage of total expenditures also increased to 32 per cent.
- The museum hosted 1.2 million visits and increased its student attendance by an estimated 31,000.
- Customer satisfaction was maintained at high levels: 95 per cent of response ratings being either "excellent" or "good."

Other Accomplishments

- Developed a business and marketing plan for the Out of the Mist exhibit.
- Initiated Living Landscapes Columbia Basin, a research and outreach program to expand our collections and information of the area. A web-site was created to publish project results.
- The National Geographic IMAX Theatre opened in June 1998 and received an enthusiastic response from the public.

The Management Services Division provides the ministry and its agencies with administrative and support services through four branches:

1) Finance and Administration Branch
2) Personnel Services
3) Information Systems Branch
4) Information and Privacy Office

STRATEGIC OBJECTIVES FOR 1998/99

In 1998/99, the Management Services Division's strategic objectives were

1) To implement technologies to facilitate delivery of the ministry's business objectives;
2) To promote a positive work environment for all staff; and
3) To provide the fiscal framework and financial services in compliance with the *Financial Administration Act*.

1. FINANCE AND ADMINISTRATION BRANCH

This branch provides administrative services and ensures the ministry is financially accountable for its programs and operations, in accordance with the *Financial Administration Act*.

The branch also administers government policy through four sections: Audit and Financial Operation, Financial Planning and Policy, Facilities and Administrative Services, and Revenue and Banking. The Revenue and Banking unit also provides services to Government Agents.

1998/99 ACCOMPLISHMENTS

- Improved the timing of payments to small business suppliers, with a target of a 20-day turn around time and a new process to further reduce this time.
- Improved and streamlined financial reporting.
- Participated in a review by the Internal Audit and received initial feedback that the ministry's financial reporting is excellent.
- Received client feedback that they "obtained good to excellent service from this group."
- Completed Terms of Reference for Government Agents Financial Process Review with the Office of the Comptroller General, Internal Audit Division.
- Developed Year 2000 compliance and conversion plans for central agencies.
- Implemented corporate initiatives such as Corporate Accounting System and Asset Capitalization.

2. PERSONNEL SERVICES

This branch meets the ministry's human resources requirements by developing effective recruitment, training, and employment equity initiatives. Services are delivered in partnership with the Ministry of Transportation and Highways.

1998/99 ACCOMPLISHMENTS

- Implemented a Memorandum of Understanding with the Ministry of Transportation and Highways for improved delivery of human resources and payroll services at a 50 per cent savings over previous costs. The branch received positive client feedback on improved depth and timeliness of service delivery.

- Developed emergency evacuation procedures and disaster plans in response to a December 1997 report from the Office of the Auditor General.
- Facilitated recruitment and selection, job classification and training, and the establishment of a positive labour relations and safety climate.
- Promoted multiculturalism and the achievement of employment equity objectives.

3. INFORMATION SYSTEMS BRANCH

This branch applies computer-based information technology to the ministry's business activities. It manages the technical infrastructure and system support for 113 sites across the province.

1998/99 ACCOMPLISHMENTS

- Completed implementation of a film digitalization library for the BC Film Commission to improve the province's competitive position in foreign film productions.
- Continued with upgrades to the ministry's technical infrastructure in support of government technology standards and ministry-wide programs.
- Continued with the replacement, upgrading and replenishment of business-critical applications and infrastructure for Year 2000 compliance.
- Provided continuing support for the Canada/BC Business Service Centre, including OneStop Business Registration, the Interactive Business Planner and other technical solutions to streamline business interface with government.
- Streamlined branch work flow practices and implemented task tracking and user inquiry services.

- Explored innovative use of information management technologies that support program managers in streamlining business procedures and using electronic signatures.

4. FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY BRANCH

This branch safeguards personal information in the ministry and responds to requests for information under the *Freedom of Information and Protection of Privacy Act*.

1998/99 ACCOMPLISHMENTS

- Responded to 60 information and privacy requests under the *Freedom of Information and Protection of Privacy Act*.
- Provided support to the Minister and Deputy Minister in the preparation of estimates and support for the estimates debate.
- Established a Memorandum of Understanding with Tourism BC for the provision of information and privacy services.
- Entered into an agreement with the Ministry of Agriculture and Food for the provision of information services.
- Implemented security initiatives to safeguard staff and records.

communications

COMMUNICATIONS BRANCH

The ministry's Communications Branch is responsible for delivering communications services for the ministry including news release and speech writing, strategic communications planning, issues management and media relations.

The branch promotes ministry programs and initiatives through news conferences, special events and exhibits and produces materials such as brochures, publications and audio-visual products, which are used to profile and promote the work of the ministry.

The branch played a key role in meeting the objectives of the ministry's mandate to encourage entrepreneurial spirit and job creation and to foster healthy communities. This was achieved by disseminating information through 195 news releases on such initiatives as:

- the introduction of tax credits for BC's growing film industry;
- the Bank Merger Task Force examination of the effects of the proposed bank mergers;
- the YouBET! Youth Business and Entrepreneurship Training program;
- the Visions for the Future career development program for aboriginal youth;
- BC's bid to host the 2010 Olympic Winter Games;
- Small Business Week 1998.

The branch held 51 news conferences on behalf of the Minister and other government officials for events and celebrations such as BC Small Business Week, the Business Task Force provincial tour and a strategic marketing partnership with Vancouver's Chinatown to increase tourism potential.

The branch coordinated communications activities with other government agencies and Crown Corporations, including promoting the Royal British Columbia Museum's Leonardo da Vinci exhibit, the dramatic growth of BC's film and television industry and the BC Arts Council's programs to provide financial support to individual artists and cultural industries.

The branch was involved in producing and distributing twelve publications to communicate some of the ministry's programs and accomplishments, including: the Bank Merger Report; English, Chinese and Punjabi editions of the Small Business Resource Guide; the Archaeological Impact Assessment Guidelines; and the 1997-1998 Annual Report.

EXPENDITURES (IN $000S)

MINISTER'S OFFICE		**373**
MINISTRY OPERATIONS		
Government Agents, Small Business and Cooperatives		**24,943**
Culture, Recreation, Heritage and Sport		
Cultural Services	4,164	
Heritage Programs	5,433	
Archaeology	1,285	
Sport & Community Development	10,333	
BC Arts Council	11,873	
		33,088
Corporate Services		
Deputy Minister's Office	344	
Corporate Projects	358	
Tourism and Corporate Policy	1,136	
Communications	663	
Management Services Division	6,481	
		8,982
BC Film Commission		**1,165**
Contributions to BC Pavilion Corp.		**2,194**
TOTAL MINISTRY OPERATIONS		**70,372**
Physical Fitness and Amateur Sport Special Account		**1,550**
MINISTRY TOTAL		**72,295**

expenditures